

TRIPURA GAZETTE



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TRIPURA LEGISLATIVE ASSEMBLY

SECRETARIAT

NEW CAPITAL COMPLEX

AGARTALA, TRIPURA, PIN - 799 010

[Fax : (0381) 241 4095/9654]

No.F.7(12-21)-LA/2018.

Dated, Agartala the 24th November , 2018.

NOTIFICATION

“ As required under Rule 117 of the Rules of Procedure and Conduct of Business in the Tripura Legislative Assembly, “ **The Tripura Co-operative Societies (Fourth Amendment) Bill, 2018 (The Tripura Bill No. 13 of 2018)** ” as introduced in the Assembly on the **23rd November, 2018** is published in the Tripura Gazette.”


(**S. Sikdar**)
Secretary
Tripura Legislative Assembly

The Tripura Bill No. 13 of 2018

**THE TRIPURA COOPERATIVE SOCIETIES
(FOURTH AMENDMENT) BILL, 2018**

A

BILL

to further amend The Tripura Cooperative Societies Act, 1974.

WHEREAS it is felt expedient to further amend the Tripura Cooperative Societies Act, 1974 with an object to make the procedure for supersession of the committee of the State Cooperative Bank and Cooperative credit structure society as per the tripartite agreement between Government of India, Government of Tripura and NABARD;

BE it enacted by the Tripura Legislative Assembly in the Sixty-ninth year of the Republic of India, as follows:-

1. Short title and commencement

- (i) This Bill may be called the **‘Tripura Cooperative Societies (Fourth Amendment) Bill, 2018’**.
- (ii) It shall come into force from the date of publication in the Tripura Gazette.

2. Amendment of Section 74

Sub-section (7) of the Section 74 of the Principal Act shall be substituted with the following:-

“The committee of a State Cooperative Bank shall be superseded only in consultation with Reserve Bank of India.

Explanation: The process of consultation may be completed within thirty days. The period of thirty days will be counted from the date on which the proposal is first sent to any office of RBI, or of NABARD for forwarding to RBI. The views of the State Government after the period of consultation shall be final.”

3. Amendment of Section 156

Sub-section (2) of the Section 156 of the Principal Act shall be substituted with the following:-

“No Cooperative Credit Structure Society shall be exempted from the application of the provisions of this Act without consultation with Reserve Bank of India or National Bank for Agriculture and Rural Development.

Explanation: The process of consultation may be completed within thirty days. The period of thirty days will be counted from the date on which the proposal is first sent to any office of RBI or NABARD. The views of the State Government after the period of consultation shall be final.”

4. Repeal and Savings

- (i) The Tripura Cooperative Societies (Fourth Amendment) Ordinance, 2018 (Tripura Ordinance number 5 of 2018), which was promulgated by the Governor on 15 October 2018, is hereby repealed;
- (ii) Notwithstanding such repeal, any notification or order issued or any action taken under the Ordinance so repealed, shall be deemed to have been issued or taken under the corresponding provision of this Bill.

STATEMENT OF OBJECT AND REASONS

The Tripura Cooperative Societies (Fourth Amendment) Bill, 2018 (The Tripura Bill No. 13 of 2018) provides for the amendment of Section 74 and 156 of the Tripura Cooperative Societies Act, 1974, with a view to make the procedure practically convenient for supersession of the committee of the State Cooperative Bank and Cooperative credit structure society.

2. Since the House of the Tripura Legislative Assembly was not in session and the Governor became satisfied that circumstances exist which render it necessary for him to take immediate action, the Tripura Cooperative Societies (Fourth Amendment) Ordinance, 2018 (The Tripura Ordinance No 5 of 2018) was promulgated on 15/10/2018, which is proposed to be replaced by this Bill.

3. The Tripura Cooperative Societies Act, 1974 was amended by the Second Amendment Act, 2009 and the following provision was inserted under sub-section (7) of Section 74 of the Act- *"The committee of a state cooperative bank shall be superseded only with the prior approval of the Reserve Bank."* That was done on the basis of a tripartite MoU, among the Government of India, Government of Tripura and NABARD, signed on 21 January 2008, for the revival of short-term cooperative structure. The relevant clause (paragraph 9.14) of the said MoU has stipulated that, supersession of the Board of the StCB [i.e. TSCB] by the RCS under any other clause of the State Cooperative Societies Act shall be done only in consultation with RBI.

4. The expression 'in consultation', as was indicated in the said MoU, was erroneously indicated as "with the prior approval" while amending the Act, which is creating difficulties for the government in resolving the issues being faced by the TSCB when its Board becomes dysfunctional. Approval of Reserve Bank of India (RBI) takes its own time.

5. Further, by the said Amendment Act 2009, the following provision was inserted as Section 156(2): *"No Cooperative credit structure society shall be exempted by the Government from the application of the provisions of this Act without the prior approval of the Reserve Bank of India or a National Bank."* This provision is also causing unnecessary hurdles in resolving the practical difficulties. This may also be amended by replacing "without the prior approval of" by "without consultation with", make "National Bank" clear, and set a deadline to complete the consultation process.

The Bill seeks to achieve the above objects.

TECHNICAL REPORT

The subject matter of the Bill is relatable Entry No 32 of the State List (List II) of the Seventh Schedule to the Constitution of India. Therefore, the state legislature is competent to make a law on this subject. The provisions of the Bill are not repugnant to any provision of the Constitution of India, or any existing central law. The Bill does not attract the proviso to Clause (b) of Article 304 of the Constitution of India, and therefore, previous sanction of the President of India shall not be necessary for promulgation of the bill or introduction of the bill. It is not a money bill within the meaning of Article 199(1) of the Constitution of India, and would not involve any additional expenditure from the Consolidated Fund of the state if the bill is promulgated, and brought into operation. Therefore, prior recommendation of the Governor is not necessary for consideration of the Bill by the state legislature under clause (3) of Article 207 of the Constitution of India.

FINANCIAL MEMORANDUM

The bill does not involve any additional financial burden to the exchequer. It does not envisage creation of any post or structure. Enforcement of the bill will not require any additional resources. The bill can be enforced by the existing manpower and resources.